

SENATE BILL

No. 3

Introduced by Senator La Malfa

(Coauthors: Senators Alquist, Berryhill, Blakeslee, Calderon, Cannella, Correa, Dutton, Emmerson, Gaines, Harman, Huff, Rubio, Runner, Strickland, Vargas, Walters, Wright, and Wyland)

(Coauthors: Assembly Members Achadjian, Bill Berryhill, Chesbro, Conway, Donnelly, Galgiani, Grove, Halderman, Harkey, Huber, Jones, Knight, Morrell, Nestande, Nielsen, Olsen, Silva, Smyth, and Wagner)

April 12, 2011

An act to add Section 19003 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 3, as introduced, La Malfa. Personal and corporation taxes: voluntary payment of additional taxes.

The Personal Income Tax Law and the Corporation Tax Law impose taxes on, or measured by, income.

This bill would allow taxpayers to voluntarily pay an additional amount, in excess of the tax due, for the purpose of funding state government.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and

stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.

This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19003 is added to the Revenue and
2 Taxation Code, to read:

3 19003. (a) This section shall be known as the “Help Our State:
4 Voluntary Contribution to the State Budget” Act.

5 (b) In addition to the tax imposed under Part 10 (commencing
6 with Section 17001) and Part 11 (commencing with Section 23001),
7 a taxpayer may, to fund the operations of state government, pay
8 additional taxes in excess of the taxes owed for that taxable year,
9 if any.

10 (c) The Franchise Tax Board shall revise its personal income
11 and corporation income tax forms to include an additional step for
12 including the payment of additional taxes. This additional step
13 shall be prepared in the following format:

14
15 Step__ Optional: Help Our State: Voluntary Contribution to the
16 State Budget

17
18 Line a: Enter the amount of tax owed from line __ ____

19 Line b: Add the additional amount of tax that
20 you voluntarily want to pay beyond
21 what you owe on Line a ____

22 Line c: Add lines a and b. This is your new tax owed .. ____

23 (d) The Franchise Tax Board shall revise the instructions for its
24 personal income and corporation income tax forms to include
25 instructions for the payment of additional taxes. The instructions
26 shall be prepared in the following format:

1 Instructions for Step ____ Help Our State: Voluntary Contribution
2 to the State Budget
3

4 Line a: This amount represents the amount of tax you owe
5 under current California law as shown on line ____.

6 Line b: If you wish to participate in the Help Our State
7 Program, this line enables you to easily contribute any amount
8 you choose, to voluntarily help fund our state's government.

9 Line c: This line shows the new total tax you will owe the
10 State of California.

11 SEC. 2. This act addresses the fiscal emergency declared and
12 reaffirmed by the Governor by proclamation on January 20, 2011,
13 pursuant to subdivision (f) of Section 10 of Article IV of the
14 California Constitution.

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